

State of Alaska FY2006 Governor's Operating Budget

Department of Administration Central Mail Component Budget Summary

Component: Central Mail

Contribution to Department's Mission

Provide state agencies located in Juneau, Anchorage, and Fairbanks with daily sorting, delivery, insertion, and posting services.

Core Services

Central Mail Services

Juneau:

Daily mail posting and post office delivery.

Daily interagency mail receipt, sorting, and distribution.

Scheduled volume inserting and posting services for warrants from the following systems: AKSAS, AKPAY, PERS and TRS Payroll, ACPE Billing Statements and the Permanent Fund Dividend.

Scheduled volume document processing for insertion and posting.

Anchorage:

Daily mail posting and post office delivery.

Daily interagency mail receipt, sorting, and distribution.

Scheduled volume document processing for insertion and posting.

Fairbanks:

Daily mail posting and post office delivery.

Daily interagency mail receipt, sorting, and distribution.

Scheduled volume document processing for insertion and posting.

Statewide:

Guidance, consultation and direction regarding e-business solutions and other mail processing cost reduction opportunities provided to agencies not participating in mail consolidation initiative implemented in Juneau.

End Results	Strategies to Achieve Results
A: Consolidated state mail services. <u>Target #1:</u> Reduce statewide agency mail processing total cost by \$500,000 from FY 2003. <u>Measure #1:</u> The amount of reduction of overall mail processing costs in FY2005 as compared to FY2003.	
End Results	Strategies to Achieve Results
B: Improved customer satisfaction. <u>Target #1:</u> 90% of survey respondents rate services as 4 or better on a scale of 1 to 5. <u>Measure #1:</u> % of customers rating services as 4 or better.	B1: Transition agency offices which aren't consolidated to e business solutions for mail processing needs. <u>Target #1:</u> 60% reduction in the number of postage meters. <u>Measure #1:</u> Percent reduction in the number of postage meters purchased/leased by state agencies.

FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$2,665,900	Personnel:	
	Full time	9
	Part time	0
	Total	9

Performance Measure Detail

A: Result - Consolidated state mail services.

Target #1: Reduce statewide agency mail processing total cost by \$500,000 from FY 2003.

Measure #1: The amount of reduction of overall mail processing costs in FY2005 as compared to FY2003.

Analysis of results and challenges: .

07/01/03–06/30/04: Data available at the end of FY2005.

07/01/04–09/30/04: Data available at the end of FY2005.

B: Result - Improved customer satisfaction.

Target #1: 90% of survey respondents rate services as 4 or better on a scale of 1 to 5.

Measure #1: % of customers rating services as 4 or better.

Analysis of results and challenges: .

07/01/03–06/30/04: Measurement to occur in FY2005.

07/01/04–09/30/04: Data available in January 2005.

B1: Strategy - Transition agency offices which aren't consolidated to e business solutions for mail processing needs.

Target #1: 60% reduction in the number of postage meters.

Measure #1: Percent reduction in the number of postage meters purchased/leased by state agencies.

Analysis of results and challenges: .

07/01/03–12/31/03: Juneau: 32%; Anchorage and Fairbanks not yet measurable.

01/01/04–03/31/04: Juneau: 60%; Anchorage and Fairbanks not yet measurable.

04/01/04–06/30/04: Juneau: 60%; Anchorage and Fairbanks not yet measurable.

07/01/04–09/30/04: Juneau: 85%; Anchorage and Fairbanks not yet measurable.

Key Component Challenges

- Improve the State's ability to reduce postage costs and processing resources.
- Provide centralized mail services.
- Provide advice and consultation to decentralized agency mail operations on mail methods (sorting, bulk mail, and bar coding, etc.).
- Successful implementation of consolidated mail services in Anchorage and Fairbanks.

Significant Changes in Results to be Delivered in FY2006

Reduction in state agency mail processing costs.

Major Component Accomplishments in 2004

- Deployment of new high speed production insertion and mail finishing machinery. This resulted in reduction of mail processing time and created excess capacity required for mail consolidation.
- 100% consolidation of all agencies in Juneau.
- Reduction of expenditures associated with agency postage meters; able to transfer postage meters under contract to agency offices outside the consolidation areas.
- Installed new insertion equipment and consolidate existing equipment from other departments where applicable.
- Installed Accutrac System for accurate accounting of agency mailouts.
- Provide archive and delivery services for various agencies.
- 100% production of DOLWD federal mailouts.
- Provided personnel and vehicle savings to individual agencies in Juneau by consolidating all mail services with minimal staff.

Statutory and Regulatory Authority

AS 44.21.020 (1), (6) Duties of Department

Contact Information

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Central Mail Component Financial Summary

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	380.5	362.3	503.4
72000 Travel	3.6	0.8	0.8
73000 Services	1,630.6	1,832.0	2,026.1
74000 Commodities	39.1	52.2	48.3
75000 Capital Outlay	0.0	0.0	87.3
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,053.8	2,247.3	2,665.9
Funding Sources:			
1004 General Fund Receipts	0.0	0.0	2.1
1007 Inter-Agency Receipts	2,053.8	2,247.3	2,663.8
Funding Totals	2,053.8	2,247.3	2,665.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	2,053.8	2,247.3	2,663.8
Restricted Total		2,053.8	2,247.3	2,663.8
Total Estimated Revenues		2,053.8	2,247.3	2,663.8

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	0.0	0.0	2,247.3	2,247.3
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	0.0	0.0	4.7	4.7
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	11.8	11.8
Proposed budget increases:				
-Central Mail Services Increases	0.0	0.0	400.0	400.0
-Benefit and Wage Cost Increases	2.1	0.0	0.0	2.1
FY2006 Governor	2.1	0.0	2,663.8	2,665.9

**Central Mail
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2005</u> <u>Management</u> <u>Plan</u>	<u>FY2006</u> <u>Governor</u>		
Full-time	9	9	Annual Salaries	320,955
Part-time	0	0	COLA	5,467
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	203,157
			<i>Less 2.60% Vacancy Factor</i>	(13,779)
			Lump Sum Premium Pay	0
Totals	9	9	Total Personal Services	515,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Mail Services Manager	0	0	1	0	1
Mail Svcs Courier	0	0	6	0	6
Mail Svcs Lead Courier	0	0	2	0	2
Totals	0	0	9	0	9